

# ARKANSAS FISCAL NOTES



**VOLUME XVIII No. 7**

**JANUARY 2005**

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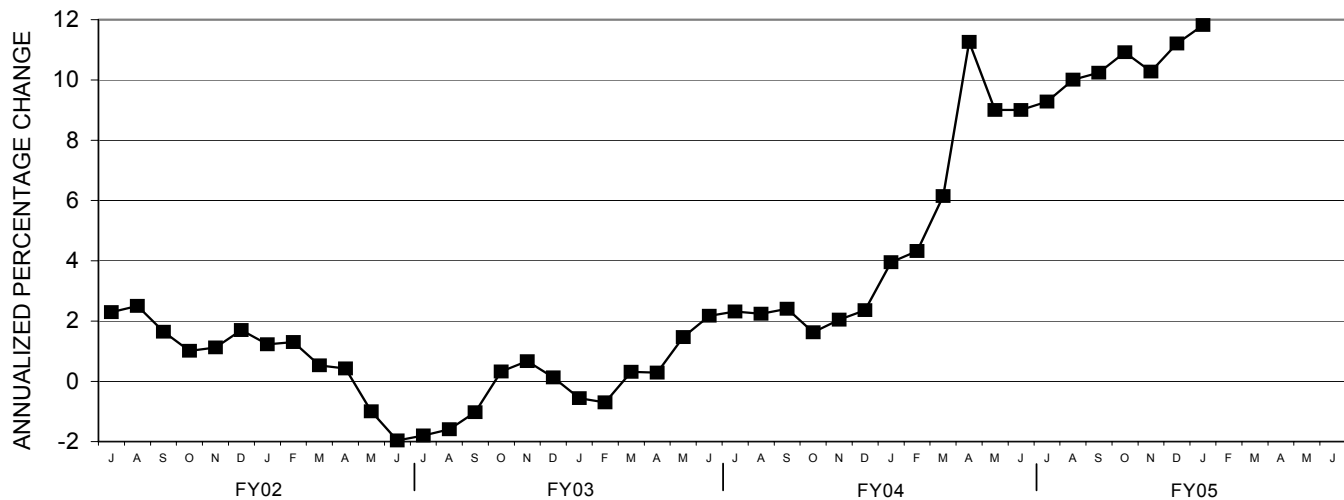
**GENERAL REVENUE SUMMARY: January FY 2005**

**Year-to-Date Gross General Revenues** totaled \$2,618.9 million, an increase of \$230.4 million or 9.6 percent above the same period in FY 04. With respect to the general revenue forecast of November 10, 2004, gross general revenues were \$68.0 million or 2.7 percent above forecast.

**Year-to-Date Net Available Revenues** totaled \$2,290.5 million, an increase of \$198.2 million or 9.5 percent above last year. Compared to the November 10, 2004 forecast, collections were \$73.8 million or 3.3 percent above forecast.

**Net General Revenue Growth.** Net general revenues are defined as gross revenues less individual and corporate income tax refunds. For the twelve-month period ending in January, net general revenues totaled \$4,258.5 million and increased at an annual rate of 11.8 percent. One year ago, the net general revenues increased by 4.0 percent.

ANNUALIZED RATE OF GROWTH IN  
NET GENERAL REVENUES



**Year-to-Date Individual Income Tax Collections** totaled \$1,162.2 million, an increase of \$122.1 million or 11.7 percent above last year and \$45.5 million or 4.1 percent above forecast.

**Year-to-Date Individual Income Tax Refunds** totaled \$65.2 million, an increase of \$13.6 million or 26.5 percent above last year. Refunds were \$9.7 million or 17.4 percent above forecast. Included in the total is \$9.7 million in refunds and attorney fees paid in January resulting from the McFadden, et al v. Weiss lawsuit awarding state income tax refunds to retirees who were not allowed consideration for state tax paid on contributions to public or private employment-related retirement systems, plans, or programs.

**Year-to-Date General Revenue Corporate Income Tax Collections** totaled \$150.3 million, an increase of \$35.0 million or 30.4 percent above last year. Collections were \$18.9 million or 14.4 percent above forecast.

**Year-to-Date Corporate Income Tax Refunds** totaled \$16.3 million, a decrease of \$22.6 million or 58.1 percent below last year. Refunds were \$16.2 million or 49.8 percent below forecast.

**Year-to-Date Sales Tax Collections** totaled \$958.4 million, an increase of \$37.9 million or 4.1 percent above last year. Sales tax collections were \$11.7 million or 1.2 percent below forecast.

**Year-to-Date Use Tax Collections** totaled \$175.5 million, an increase of \$36.9 million or 26.7 percent above last year and \$14.4 million or 8.9 percent above forecast.

Use tax collections are dominated by business spending. While equipment used directly in manufacturing is exempt from the sales and use tax, business expenditures on office equipment & furniture, office computers, construction equipment (e.g., earth-moving equipment), refrigeration units, mining equipment, vehicles, and fork-lifts bought or leased from out-of-state vendors are subject to the compensating use tax.

**January Gross General Revenues** totaled \$469.5 million, an increase of \$58.4 million or 14.2 percent above January 2004. Revenues were \$37.6 million or 8.7 percent above forecast.

**January Net Available Revenues** totaled \$399.3 million, an increase of \$51.1 million or 14.7 percent above last January. Revenues were \$37.3 million or 10.3 percent above forecast.

**January Individual Income Tax Collections** totaled \$256.3 million, an increase of \$52.3 million or 25.7 percent above last January and \$41.8 million or 19.5 percent above forecast.

**January Individual Income Tax Refunds** totaled \$26.2 million, an increase of \$12.9 million or 96.7 percent above January 2004 and \$11.1 million or 73.3 percent above forecast.

**January General Revenue Corporate Income Tax Collections** totaled \$15.2 million, a decrease of \$4.9 million or 24.4 percent below January 2004 and \$6.8 million or 30.9 percent below forecast.

**January Corporate Income Tax Refunds** totaled \$1.6 million, a decrease of \$9.1 million or 84.7 percent below last January and \$11.2 million or 87.1 percent below forecast.

**Combined General and Special Revenue Corporate Income Tax Collections.** For the twelve-month period ending in January, general and special net corporate income taxes totaled \$252.4 million and increased at an annual rate of 26.8 percent. One year ago, corporate income taxes increased at an annual rate of 6.5 percent.

**January Sales Taxes Collections** totaled \$147.2 million, an increase of \$7.1 million or 5.1 percent above last year but \$4.4 million or 2.9 percent below forecast. On an annualized basis, sales tax collections grew at an annual rate of 4.1 percent, down from 4.2 percent the previous month. One year ago, the growth rate was 3.2 percent.

**January Use Taxes Collections** totaled \$27.3 million, an increase of \$5.4 million or 24.9 percent above January 2004 and \$7.5 million or 37.8 percent above forecast. On an annualized basis, use taxes increased at an annual rate of 23.0 percent, up from 22.0 percent in December. One year ago, collections were increasing at an annual rate of 2.9 percent.

**January General Revenue Tobacco Taxes** totaled \$11.3 million, a decrease of \$1.0 million or 7.9 percent below last January and a decrease of \$1.0 million or 8.1 percent below forecast.

## **SPECIAL REVENUES OF NOTE**

**Special Corporate Income Taxes.** Each month \$1.1 million (\$13.2 million total in FY 2005) in corporate income tax collections goes to *special* revenues. These revenues are not included in *general* revenue totals. They are allocated to the WorkForce 2000 Fund, which provides for the upgrading of the post-secondary technical colleges of the state.

**Medicaid Program Trust Fund (Soft Drink Tax).** FY 05 year-to-date collections totaled \$28.2 million, \$2.4 million more than collections in FY 2004.

**Conservation Fund.** The state *general* sales and use tax rate is 4.5%. Effective July 1, 1997, Act 156 of 1997, the Conservation Fund Act, levied a one-eighth of one-cent increase in the sales and use tax rate as a *special* revenue. After deductions, the remaining money is distributed to the Game Protection Fund (45%), the Department of Parks and Tourism (45%), Arkansas Department of Heritage (9%), and the Keep Arkansas Beautiful Fund (1%). Through January of FY 05, \$31.3 million was collected. Through the same period of FY 04, \$29.5 million was collected.

**Property Tax Relief Trust Fund.** Acts 1 and 2 of the Second Extraordinary Session of 2000 levied a 0.5% increase in the sales and use tax rate effective January 1, 2001. This increase is *special* revenue dedicated to reimbursing Arkansas counties for the cost of homestead property tax credits created by Amendment 79 to the Arkansas Constitution. Through January of FY 05, \$122.0 million was collected compared to \$117.6 million in FY 04.

**Educational Adequacy Fund.** Act 107 of the Second Extraordinary Session of 2003 increased the state sales and use tax rate from 5.125% to 6.0%, effective March 1, 2004. It also expanded the sales and use tax base to new services and increased the wholesale vending tax rate and decal fees, effective July 1, 2004. The additional revenues are deposited as *special* revenues to the Educational Adequacy Fund to be used to fulfill the financial obligations of the state to provide an adequate educational system. Through January of FY 05, \$216.5 million was collected.

TABLE A: GENERAL REVENUES FOR MONTH OF JANUARY 2005

	ACTUAL JANUARY 2005	FORECAST JANUARY 2005	ACTUAL JANUARY 2004	CHANGE FROM:			
				FORECAST		LAST YEAR	
				\$	%	\$	%
INDIVIDUAL INCOME	\$256,257,300	\$214,500,000	\$203,938,852	\$41,757,300	19.5	\$52,318,448	25.7
CORPORATE INCOME	15,193,948	22,000,000	20,103,830	(6,806,052)	(30.9)	(4,909,883)	(24.4)
SALES	147,177,767	151,600,000	140,040,014	(4,422,233)	(2.9)	7,137,753	5.1
USE	27,274,680	19,800,000	21,840,628	7,474,680	37.8	5,434,052	24.9
ALCOHOLIC BEVERAGE	3,178,791	2,700,000	2,786,956	478,791	17.7	391,835	14.1
TOBACCO	11,302,268	12,300,000	12,271,221	(997,732)	(8.1)	(968,953)	(7.9)
INSURANCE PREMIUM	550,171	1,400,000	1,628,588	(849,829)	(60.7)	(1,078,417)	(66.2)
RACING	337,961	300,000	294,220	37,961	12.7	43,740	14.9
SEVERANCE	852,146	500,000	723,672	352,146	70.4	128,474	17.8
CORPORATE FRANCHISE	420,135	200,000	157,054	220,135	110.1	263,081	167.5
ESTATE	571,731	500,000	1,217,598	71,731	14.3	(645,867)	(53.0)
REAL ESTATE TRANSFER	0	0	0	0	0.0	0	0.0
MISCELLANEOUS	6,375,365	6,100,000	6,041,581	275,365	4.5	333,784	5.5
<b>GROSS REVENUES</b>	<b>\$469,492,263</b>	<b>\$431,900,000</b>	<b>\$411,044,216</b>	<b>\$37,592,263</b>	<b>8.7</b>	<b>\$58,448,047</b>	<b>14.2</b>
LESS:							
SCSF/COF	14,084,768	12,957,000	12,331,326	1,127,768	8.7	1,753,441	14.2
REFUNDS	27,815,885	27,900,000	24,073,206	(84,115)	(0.3)	3,742,679	15.5
CLAIMS	0	0	0	0	0.0	0	0.0
ECON DEVEL INCEN FUND	521,426	1,400,000	1,276,319	(878,574)	(62.8)	(754,893)	(59.1)
WTR/SWR/CLGE BONDS	569,000	500,000	495,000	69,000	13.8	74,000	14.9
MLA CITY/CO.	1,932,936	1,900,000	2,173,944	32,936	1.7	(241,008)	(11.1)
DESEG SETTLEMENT	2,800,000	2,800,000	2,800,000	0	0.0	0	0.0
EDUCATIONAL EXCELLENCE	20,491,747	20,400,000	19,494,438	91,747	0.4	997,309	5.1
ELDERLY TRANSPORTATION	167,024	200,000	214,112	(32,976)	(16.5)	(47,088)	(22.0)
EDUCATIONAL ADEQUACY	1,811,505	1,800,000	0	11,505	0.6	1,811,505	0.0
OTHER TRANSFERS	0	0	0	0	0.0	0	0.0
<b>NET AVAILABLE</b>	<b>\$399,297,971</b>	<b>\$362,043,000</b>	<b>\$348,185,871</b>	<b>\$37,254,971</b>	<b>10.3</b>	<b>\$51,112,100</b>	<b>14.7</b>

PREPARED BY THE OFFICE OF ECONOMIC ANALYSIS AND TAX RESEARCH, DF&A.  
NET AVAILABLE ESTIMATE: MAY 15, 2003, (A + B + B-1).  
REVISED MAY 4, 2004 (A + B + B-1)  
REVISED NOVEMBER 10, 2004 (A + B + B-1)

## TABLE B: YEAR-TO-DATE GENERAL REVENUES

	ACTUAL YTD JANUARY 2005	FORECAST YTD JANUARY 2005	ACTUAL YTD JANUARY 2004	CHANGE FROM:			
				FORECAST		LAST YEAR	
				\$	%	\$	%
INDIVIDUAL INCOME	\$1,162,150,233	\$1,116,700,000	\$1,040,098,424	\$45,450,233	4.1	\$122,051,809	11.7
CORPORATE INCOME	150,336,603	131,400,000	115,308,748	18,936,603	14.4	35,027,855	30.4
SALES	958,385,776	970,100,000	920,512,639	(11,714,224)	(1.2)	37,873,137	4.1
USE	175,468,877	161,100,000	138,543,743	14,368,877	8.9	36,925,134	26.7
ALCOHOLIC BEVERAGE	20,205,412	19,600,000	19,014,444	605,412	3.1	1,190,968	6.3
TOBACCO	81,409,665	81,700,000	81,679,942	(290,335)	(0.4)	(270,277)	(0.3)
INSURANCE PREMIUM	44,539,221	45,200,000	45,565,774	(660,779)	(1.5)	(1,026,554)	(2.3)
RACING	2,134,567	2,100,000	2,110,909	34,567	1.6	23,658	1.1
SEVERANCE	5,998,689	5,100,000	4,422,152	898,689	17.6	1,576,537	35.7
CORPORATE FRANCHISE	3,566,838	3,300,000	2,947,096	266,838	8.1	619,742	21.0
ESTATE	1,557,270	1,500,000	1,217,598	57,270	3.8	339,672	27.9
REAL ESTATE TRANSFER	2,603,333	2,600,000	2,607,056	3,333	0.1	(3,723)	(0.1)
MISCELLANEOUS	10,576,801	10,500,000	14,543,742	76,801	0.7	(3,966,941)	(27.3)
<b>GROSS REVENUES</b>	<b>\$2,618,933,286</b>	<b>\$2,550,900,000</b>	<b>\$2,388,572,269</b>	<b>\$68,033,286</b>	<b>2.7</b>	<b>\$230,361,017</b>	<b>9.6</b>
LESS:							
SCSF/COF	78,567,999	76,527,000	71,045,168	2,040,999	2.7	7,522,831	10.6
REFUNDS	81,488,480	88,000,000	90,488,065	(6,511,520)	(7.4)	(8,999,585)	(9.9)
CLAIMS*	0	0	0	0	0.0	0	0.0
ECON DEVEL INCEN FUND	8,261,443	8,900,000	6,432,596	(638,557)	(7.2)	1,828,847	28.4
WTR/SWR/CLGE BONDS	4,381,839	4,200,000	3,783,597	181,839	4.3	598,242	15.8
MLA CITY/CO.	5,798,807	5,800,000	6,521,831	(1,193)	(0.0)	(723,023)	(11.1)
DESEG SETTLEMENT	19,200,000	19,200,000	19,200,000	0	0.0	0	0.0
EDUCATIONAL EXCELLENCE	143,441,890	143,400,000	136,460,991	41,890	0.0	6,980,899	5.1
ELDERLY TRANSPORTATION	1,278,955	1,300,000	1,332,658	(21,045)	(1.6)	(53,703)	(4.0)
EDUCATIONAL ADEQUACY	12,680,507	12,600,000	0	80,507	0.6	12,680,507	0.0
OTHER TRANSFERS	(26,671,976)	(25,700,000)	(39,000,000)	(971,976)	3.8	12,328,024	(31.6)
<b>NET AVAILABLE</b>	<b>\$2,290,505,343</b>	<b>\$2,216,673,000</b>	<b>\$2,092,307,364</b>	<b>\$73,832,343</b>	<b>3.3</b>	<b>\$198,197,980</b>	<b>9.5</b>

PREPARED BY THE OFFICE OF ECONOMIC ANALYSIS AND TAX RESEARCH, DF&A.  
NET AVAILABLE ESTIMATE: MAY 15, 2003, (A + B + B-1).  
REVISED MAY 4, 2004 (A + B + B-1)  
REVISED NOVEMBER 10, 2004 (A + B + B-1)

**TABLE C**  
**OFFICIAL GENERAL REVENUE FORECAST**  
**FY 2005 - FY 2007**

Millions of Dollars	11/10/04 Estimate	FY 05 Increase	% CH	11/10/04 Estimate	FY 06 Increase	% CH	11/10/04 Estimate	FY 07 Increase	% CH
INDIVIDUAL INCOME	2,095.6	123.5	6.3	2,171.0	75.4	3.6	2,284.2	113.2	5.2
CORPORATE INCOME	251.9	13.8	5.8	265.0	13.1	5.2	277.0	12.0	4.5
SALES TAX	1,657.1	97.9	6.3	1,728.6	71.5	4.3	1,820.3	91.7	5.3
USE TAX	254.1	10.8	4.4	265.1	11.0	4.3	282.6	17.5	6.6
ALCOHOLIC BEVERAGE	33.5	-0.1	-0.2	33.5	0.0	0.0	34.0	0.5	1.5
TOBACCO	140.0	0.0	0.0	140.0	0.0	0.0	134.9	-5.1	-3.6
INSURANCE	91.0	-0.3	-0.3	91.0	0.0	0.0	92.5	1.5	1.6
RACING	4.1	-0.1	-2.6	4.1	0.0	0.0	4.1	0.0	0.0
SEVERANCE	7.6	-1.0	-11.6	7.6	0.0	0.0	7.6	0.0	0.0
CORPORATE FRANCHISE	8.0	-0.4	-4.6	8.0	0.0	0.0	8.0	0.0	0.0
ESTATE	4.2	-9.8	-70.0	0.0	-4.2	-100.0	0.0	0.0	0.0
REAL ESTATE TRANSFER	2.6	0.0	-0.2	2.6	0.0	0.0	2.6	0.0	0.0
MISCELLANEOUS	15.3	-3.8	-19.9	15.3	0.0	0.0	15.3	0.0	0.0
<b>TOTAL GROSS</b>	<b>4,565.0</b>	<b>230.5</b>	<b>5.3</b>	<b>4,731.8</b>	<b>166.8</b>	<b>3.7</b>	<b>4,963.1</b>	<b>231.3</b>	<b>4.9</b>
PLUS: TRANSFERS*	25.7	-13.3	-34.2	0.0	-25.7	-100.0	0.0	0.0	0.0
GEN IMPROVEMENT	---	---	---	---	---	---	---	---	---
FED FISCAL RELIEF	---	---	---	---	---	---	---	---	---
LESS: MCF (SCS/COF)	137.0	-0.1	-0.1	142.0	5.0	3.7	148.9	6.9	4.9
INDIVIDUAL REFUNDS	281.4	22.2	8.6	326.6	45.2	16.1	345.8	19.1	5.9
CORP REFUNDS	58.1	1.9	3.3	64.2	6.1	10.6	68.0	3.8	5.9
CLAIMS RESERVE	10.0	10.0	N.A.	10.0	0.0	0.0	10.0	0.0	0.0
ECON DEV INCENTIVE	15.8	5.5	53.8	17.4	1.6	10.1	19.1	1.7	9.8
WATER/SWR BONDS	5.7	1.2	26.7	5.7	0.0	0.0	5.7	0.0	0.0
COLL SVNGS BONDS	24.0	0.1	0.4	24.0	0.0	0.0	24.0	0.0	0.0
MLA CITY/CO TOURIST	7.7	-1.0	-11.5	7.2	-0.5	-6.5	7.2	0.0	0.0
EDUC EXCEL TRST	245.9	12.0	5.1	260.8	14.9	6.0	272.1	11.3	4.3
DESEGREGATION	32.8	-21.0	-39.1	58.7	25.9	79.0	60.4	1.7	2.9
ELDERLY TRANSPORT	2.2	0.0	-1.5	2.2	0.0	0.0	2.2	0.0	0.0
EDUCATIONAL ADQCY	21.7	21.7	0.0	23.1	1.4	6.2	24.1	1.0	4.3
ADD'L HSC TRANSFER	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>NET AVAILABLE</b>	<b>3,748.4</b>	<b>149.6</b>	<b>4.2</b>	<b>3,789.9</b>	<b>41.5</b>	<b>1.1</b>	<b>3,975.7</b>	<b>185.8</b>	<b>4.9</b>
LESS: SURPLUS TO ALLOTMENT									
RESERVE FUND	-118.5			0.0			0.0		
<b>NET AVAILABLE DISTRIBUTED</b>	<b>3,629.9</b>	<b>103.9</b>	<b>2.9</b>	<b>3,789.9</b>	<b>160.0</b>	<b>4.4</b>	<b>3,975.7</b>	<b>185.8</b>	<b>4.9</b>

PREPARED BY ECONOMIC ANALYSIS AND TAX RESEARCH, DF&A

\*TRANSFERS FROM PROPERTY TAX RELIEF TRUST FUND AND HSC



TABLE D

## GENERAL REVENUE HISTORY AND ECONOMIC ASSUMPTIONS

Millions of Dollars	FY-02			FY-03			FY-04		
	Actual	Increase	% CH	Actual	Increase	%CH	Actual	Increase	%CH
INDIVIDUAL INCOME TAX	1790.4	-14.2	(0.8)	1831.2	40.8	2.3	1972.1	140.9	7.7
INDIVIDUAL REFUNDS/MOA	<u>278.4</u>	<u>29.2</u>	<u>11.7</u>	<u>300.6</u>	<u>22.2</u>	<u>8.0</u>	<u>259.2</u>	<u>(41.4)</u>	<u>(13.8)</u>
NET INDIVIDUAL INCOME	1,512.1	-43.4	(2.8)	1,530.6	18.6	1.2	1,712.9	182.3	11.9
CORPORATE INCOME	218.5	(16.0)	(6.8)	226.2	7.7	3.5	238.1	11.9	5.3
CORPORATE REFUNDS	<u>55.3</u>	<u>7.1</u>	<u>14.7</u>	<u>55.3</u>	<u>(0.0)</u>	<u>(0.0)</u>	<u>56.2</u>	<u>0.9</u>	<u>1.7</u>
NET CORPORATE INCOME	163.2	(23.1)	(12.4)	170.9	7.7	4.7	181.8	11.0	6.4
SALES TAX	1452.4	4.7	0.3	1486.7	34.3	2.4	1559.2	72.5	4.9
USE TAX	<u>229.4</u>	<u>(0.7)</u>	<u>(0.3)</u>	<u>228.7</u>	<u>(0.6)</u>	<u>(0.3)</u>	<u>243.3</u>	<u>14.6</u>	<u>6.4</u>
NET ECONOMIC TAX REVENUE	3,357.0	(62.5)	(1.8)	3,416.9	59.9	1.8	3,697.3	280.4	8.2
OTHER TAX REVENUE	<u>252.7</u>	<u>(8.6)</u>	<u>(3.3)</u>	<u>270.3</u>	<u>17.5</u>	<u>6.9</u>	<u>321.8</u>	<u>51.6</u>	<u>19.1</u>
<b>GROSS GENERAL REVENUES</b>	3,943.4	(34.8)	(0.9)	4,043.0	99.6	2.5	4,334.5	291.5	7.2
PLUS: TRANSFERS	---	---	---	---	---	---	39.0	39.0	---
GEN IMPROVEMENT	---	---	---	17.3	17.3	---	---	---	---
FED FISCAL RELIEF	---	---	---	---	---	---	25.0	25.0	---
LESS: SCS/COF	117.9	(1.4)	(1.2)	138.0	20.1	17.0	137.1	(0.9)	(0.7)
INDIVIDUAL REFUNDS/MOA	278.4	29.2	11.7	300.6	22.2	8.0	259.2	(41.4)	(13.8)
CORPORATE REFUNDS	55.3	7.1	14.7	55.3	(0.0)	(0.0)	56.2	0.9	1.7
CLAIMS	0.0	0.0	N.A.	3.4	3.4	N.A.	0.0	(3.4)	N.A.
ECON DEVEL INCENTIVE FUND	8.5	3.8	81.9	10.9	2.3	27.3	10.3	(0.6)	(5.4)
WATER/SEWER BONDS	5.0	(0.6)	(9.9)	4.9	(0.1)	(1.8)	4.5	(0.4)	(8.1)
MLA CITY/CO TOURIST	8.2	(0.9)	(10.3)	8.1	(0.2)	(2.1)	8.7	0.6	8.0
DESEGREGATION SETTLEMENT	32.8	0.0	0.0	32.8	0.0	0.0	53.8	21.0	64.1
EDUC EXCEL TRUST FUND	228.8	4.9	2.2	229.4	0.6	0.3	233.9	4.5	2.0
ELDERLY TRANSPORTATION	2.2	(0.3)	(13.1)	2.3	0.1	4.8	2.2	(0.1)	(3.1)
COLL SVNGS BOND DEBT SRV.	23.9	(0.1)	(0.3)	23.9	0.0	0.0	23.9	(0.0)	(0.0)
EDUCATIONAL ADEQUACY	---	---	---	---	---	---	---	---	---
ADD'L HSC TRANSFER	---	---	---	---	---	---	9.8	---	---
ALLOTMENT RESERVE	---	---	---	---	---	---	<u>72.9</u>	---	---
<b>NET AVAILABLE REVENUES</b>	<b>3,182.4</b>	<b>(76.6)</b>	<b>(2.3)</b>	<b>3,250.8</b>	<b>68.4</b>	<b>2.1</b>	<b>3,526.0</b>	<b>275.2</b>	<b>8.5</b>
<b>ECONOMIC ASSUMPTIONS</b>	FY 2002			FY 2003			FY 2004		
U.S. NOMINAL GDP (Billions \$)	10,286.3	294.8	3.0	10,698.2	411.9	4.0	11,379.4	681.2	6.4
GDP (2000\$ CHAIN WEIGHT)	9,957	81	0.8	10,181	224	2.2	10,631	450	4.4
CONS PRICE INDEX (1984=100)	178.2	3.1	1.8	182.1	4.0	2.2	186.1	3.9	2.2
NET GEN REV (Millions \$)	3,609.8	(71.1)	(1.9)	3,687.2	77.4	2.1	4,019.1	332.0	9.0
AR. STATE PERS INCOME (M\$)	62,871	2,247	3.7	64,531	1,660	2.6	68,278	3,747	5.8
NGR % of ASPI	5.742	(0.3)	(5.4)	5.714	(0.0)	(0.5)	5.886	0.2	3.0
NON-FARM PERSONAL INCOME	61,800	2,525	4.3	63,470	1,670	2.7	66,443	2,973	4.7
AR. W & S DISBURSEMENTS (M\$)	32,862	773	2.4	33,608	746	2.3	35,021	1,413	4.2
DIVIDENDS, INTEREST, AND RENT	10,591	(41)	(0.4)	10,202	(389)	(3.7)	10,353	151	1.5
AR. NON-FARM PROPR INC (M\$)	4,649.3	377.8	8.8	4,815.3	166.0	3.6	5,296.8	481.5	10.0
AR. TAXABLE SALES (B\$)	37.37	0.1	0.2	38.12	0.7	2.0	40.06	1.9	5.1
AR. W & S EMPLOYMENT	1,148,000	(10,400)	(0.9)	1,144,400	(3,600)	(0.3)	1,146,300	1,900	0.2
AR. MANUFAC EMPLOYMENT	218,870	(16,490)	(7.0)	209,810	(9,060)	(4.1)	204,530	(5,280)	(2.5)
AR. FARM INCOME (\$)	1,070.8	(278.5)	(20.6)	1,061.0	(9.8)	(0.9)	1,835.3	774.3	73.0
AR. POPULATION	2,702,000	14,800	0.6	2,719,000	17,000	0.6	2,737,200	18,200	0.7
AR PER CAPITA INCOME (\$)	23,268	709	3.1	23,733	465	2.0	24,944	1,211	5.1

**TABLE D**  
**ECONOMIC ASSUMPTIONS AND THE**  
**OFFICIAL GENERAL REVENUE FORECAST**  
**FY 2005 - FY 2007**

Millions of Dollars	11/10/04 Estimate	FY-05 Increase	% CH	11/10/04 Estimate	FY-06 Increase	% CH	11/10/04 Estimate	FY-07 Increase	% CH
INDIVIDUAL INCOME TAX	2,095.6	123.5	6.3	2,171.0	75.4	3.6	2,284.2	113.2	5.2
INDIVIDUAL REFUNDS/MOA	<u>281.4</u>	<u>22.2</u>	<u>8.6</u>	<u>326.7</u>	<u>45.3</u>	<u>16.1</u>	<u>345.8</u>	<u>19.1</u>	<u>5.8</u>
NET INDIVIDUAL INCOME	1,814.2	101.3	5.9	1,844.3	30.1	1.7	1,938.4	94.1	5.1
CORPORATE INCOME	251.9	13.8	5.8	265.0	13.1	5.2	277.0	12.0	4.5
CORPORATE REFUNDS	<u>58.1</u>	<u>1.9</u>	<u>3.3</u>	<u>64.3</u>	<u>6.2</u>	<u>10.7</u>	<u>68.0</u>	<u>3.7</u>	<u>5.8</u>
NET CORPORATE INCOME	193.8	12.0	6.6	200.7	6.9	3.6	209.0	8.3	4.1
SALES TAX	1,657.1	97.9	6.3	1,728.6	71.5	4.3	1,820.3	91.7	5.3
USE TAX	<u>254.1</u>	<u>10.8</u>	<u>4.4</u>	<u>265.1</u>	<u>11.0</u>	<u>4.3</u>	<u>282.6</u>	<u>17.5</u>	<u>6.6</u>
NET ECONOMIC TAX REVENUE	3,919.2	221.9	6.0	4,038.7	119.5	3.0	4,250.3	211.6	5.2
OTHER TAX REVENUE	<u>306.3</u>	<u>(15.5)</u>	<u>(4.8)</u>	<u>302.1</u>	<u>(4.2)</u>	<u>(1.4)</u>	<u>299.0</u>	<u>(3.1)</u>	<u>(1.0)</u>
<b>GROSS GENERAL REVENUES</b>	4,565.0	230.5	5.3	4,731.8	166.8	3.7	4,963.1	231.3	4.9
PLUS: TRANSFERS	25.7	(13.3)	(34.1)	0.0	(25.7)	(100.0)	0.0	0.0	0.0
GEN IMPROVEMENT	---	---	---	---	---	---	---	---	---
FED FISCAL RELIEF	---	---	---	---	---	---	---	---	---
LESS: SCS/COF	137.0	(0.1)	(0.1)	142.0	5.0	3.7	148.9	6.9	4.9
INDIVIDUAL REFUNDS/MOA	281.4	22.2	8.6	326.6	45.2	16.1	345.8	19.1	5.9
CORPORATE REFUNDS	58.1	1.9	3.3	64.2	6.1	10.5	68.0	3.8	5.9
CLAIMS	10.0	10.0	N.A.	10.0	0.0	N.A.	10.0	0.0	N.A.
ECON DEVEL INCENTIVE FUND	15.8	5.5	53.8	17.4	1.6	10.1	19.1	1.7	9.8
WATER/SEWER BONDS	5.7	1.2	26.7	5.7	0.0	0.0	5.7	0.0	0.0
MLA CITY/CO TOURIST	7.7	(1.0)	(11.5)	7.2	(0.5)	(6.5)	7.2	0.0	0.0
DESEGREGATION SETTLEMENT	32.8	(21.0)	(39.1)	58.7	25.9	79.0	60.4	1.7	2.9
EDUC EXCEL TRUST FUND	245.9	12.0	5.1	260.8	14.9	6.1	272.1	11.3	4.3
ELDERLY TRANSPORTATION	2.2	(0.0)	(1.5)	2.2	0.0	0.0	2.2	0.0	0.0
COLL SVNGS BOND DEBT SRV.	24.0	0.1	0.4	24.0	0.0	0.0	24.0	0.0	0.0
EDUCATIONAL ADEQUACY	21.7	21.7	0.0	23.1	1.4	6.3	24.1	1.0	4.4
ADD'L HSC TRANSFER	0.0	(9.8)	(100.0)	0.0	0.0	0.0	0.0	0.0	0.0
ALLOTMENT RESERVE	<u>118.5</u>	<u>45.6</u>	<u>62.6</u>	<u>0.0</u>	<u>(118.5)</u>	<u>(100.0)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
<b>NET AVAILABLE REVENUES</b>	<b>3,629.9</b>	<b>103.9</b>	<b>2.9</b>	<b>3,789.9</b>	<b>160.0</b>	<b>4.4</b>	<b>3,975.7</b>	<b>185.8</b>	<b>4.9</b>
<b>ECONOMIC ASSUMPTIONS</b>	FY 2005 e			FY 2006 e			FY 2007 e		
U.S. NOMINAL GDP (Billions \$)	12,043.9	664.5	5.8	12,632.9	589.0	4.9	13,245.9	613.0	4.9
GDP (2000\$ CHAIN WEIGHT)	11,008	377	3.5	11,342	334	3.0	11,692	350	3.1
CONS PRICE INDEX (1984=100)	190.9	4.8	2.6	193.7	2.8	1.5	196.9	3.2	1.6
NET GEN REV (Millions \$)	4,225.5	206.4	5.1	4,340.9	115.4	2.7	4,549.3	208.4	4.8
AR. STATE PERS INCOME (M\$)	71,174	2,896	4.2	74,120	2,946	4.1	77,836	3,716	5.0
NGR % of ASPI	5.937	0.1	0.9	5.857	(0.1)	(1.4)	5.845	(0.0)	(0.2)
NON-FARM PERSONAL INCOME	69,632	3,189	4.8	72,649	3,017	4.3	76,352	3,703	5.1
AR. W & S DISBURSEMENTS (M\$)	36,649	1,628	4.6	38,367	1,718	4.7	40,010	1,643	4.3
DIVIDENDS, INTEREST, AND RENT	10,677	324	3.1	10,702	25	0.2	11,263	561	5.2
AR. NON-FARM PROPR INC (M\$)	5,718.3	421.5	8.0	6,009.9	291.6	5.1	6,266.4	256.5	4.3
AR. TAXABLE SALES (B\$)	42.47	2.4	6.0	44.30	1.8	4.3	46.73	2.4	5.5
AR. W & S EMPLOYMENT	1,159,700	13,400	1.2	1,175,400	15,700	1.4	1,185,400	10,000	0.9
AR. MANUFAC EMPLOYMENT	203,400	(1,130)	(0.6)	203,260	(140)	(0.1)	201,960	(1,300)	(0.6)
AR. FARM INCOME (\$)	1,542.0	(293.3)	(16.0)	1,471.8	(70.2)	(4.6)	1,483.5	11.7	0.8
AR. POPULATION	2,754,800	17,600	0.6	2,772,400	17,600	0.6	2,790,100	17,700	0.6
AR PER CAPITA INCOME (\$)	25,836	892	3.6	26,734	898	3.5	27,897	1,163	4.4

## ECONOMIC NOTES

### Most Recent Estimate of GDP Growth

Gross Domestic Product is a measure of the nation's output of domestically produced goods and services. The Commerce Department's estimate of real GDP growth uses the new chain-weighted measure instead of the fixed-weighted measure used previously. The new calculation better reflects yearly price fluctuations.

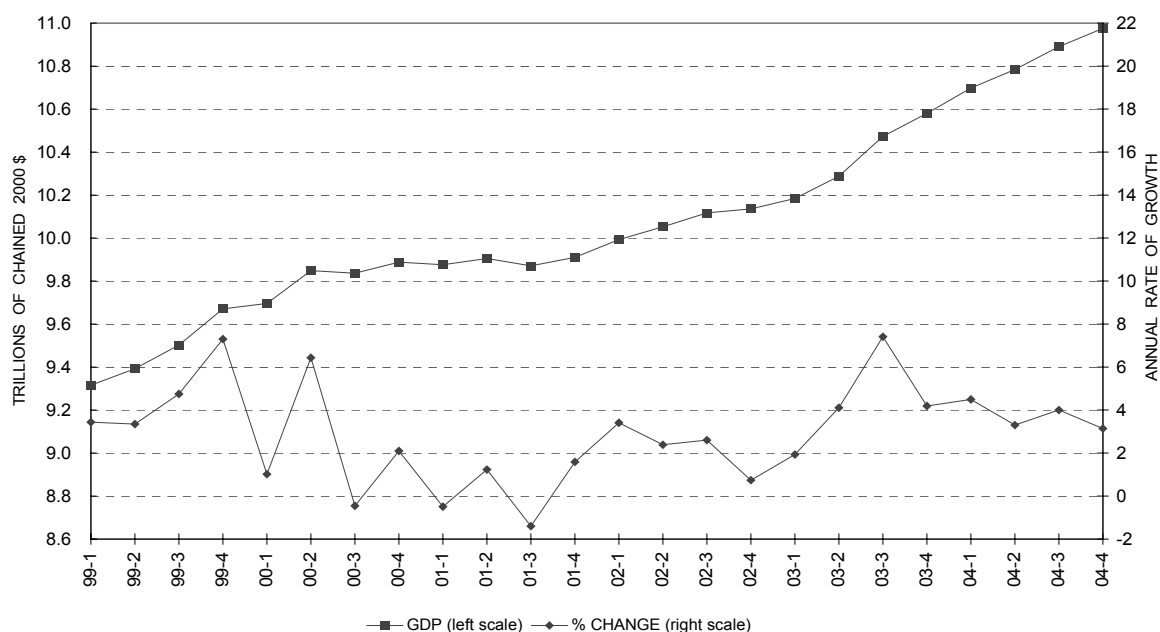
Quarterly estimates of GDP are released on the following schedule: Advance estimates, based on preliminary and incomplete source data and BEA assumptions about the missing source data, are released in the first month after the end of the quarter. Preliminary and final estimates, which incorporate additional and revised source data, are released in the second and third months, respectively.

The U.S. economy grew at a 3.1% annual rate in the fourth quarter of 2004 according to the Commerce Department's advance estimate for GDP growth. This is a decrease from the previous quarter's growth rate of 4.0%. Based on the advance estimate, real GDP grew 4.4% in 2004. In comparison, GDP grew by 3.0% in 2003, 1.9% in 2002, 0.8% in 2001, 3.7% in 2000, and 4.4% in 1999.

Quarterly estimates of GDP since the first quarter of 1999, and the annualized growth rates implied by these estimates, are displayed in the graph below.

More detailed information about Gross Domestic Product may be found at the BEA's Web site at <[www.bea.gov](http://www.bea.gov)>.

REAL GROSS DOMESTIC PRODUCT, 1999-PRESENT



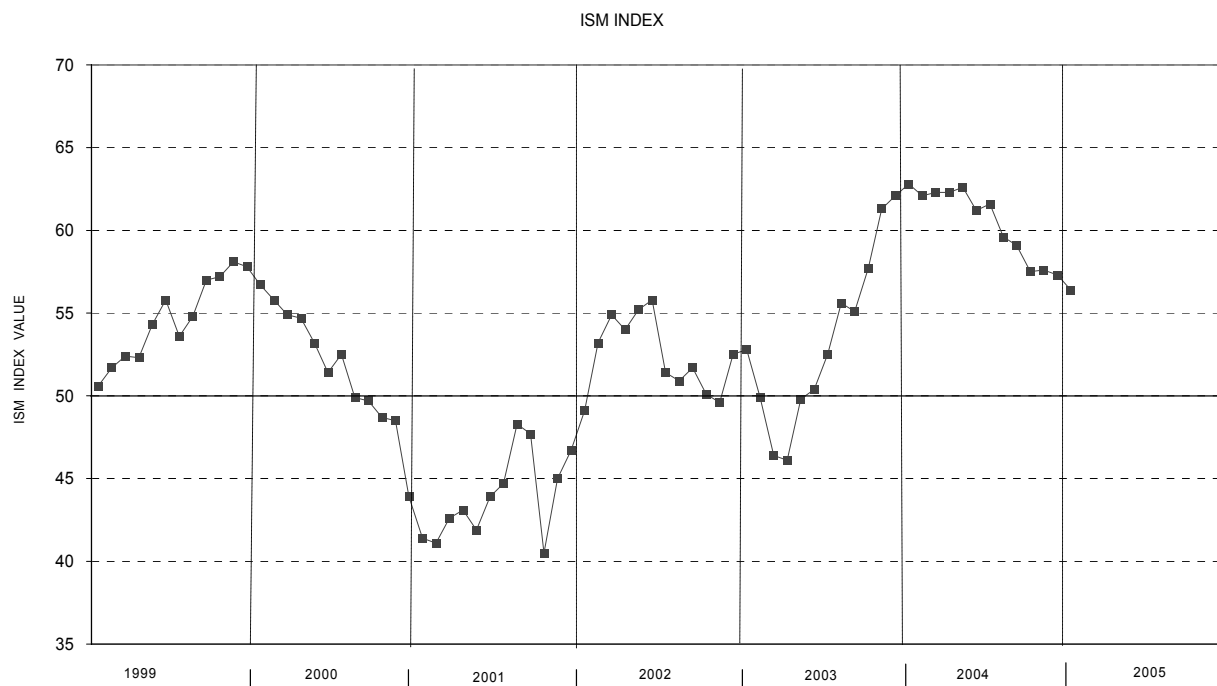
### Institute for Supply Management's Purchasing Managers' Index (PMI)

The Institute for Supply Management reported that January's Purchasing Managers' Index fell from 57.3 percent to 56.4 percent, indicating continuing but slower growth in the manufacturing sector. "January sets the tone for a strong first quarter. Even though the PMI is slightly lower, the month-over-month growth is still quite strong and will provide significant momentum for the remainder of Q1," reported Norbert J. Ore, C.P.M., chair of the Institute for Supply Management's Manufacturing Business Survey Committee. January marked the twentieth consecutive month of growth in the manufacturing sector.

The 50 percent mark is generally interpreted as the dividing line between growth and contraction in the manufacturing sector. An index in excess of 42.7 percent, over a period of time, indicates that the **overall** economy is expanding and under 42.7 percent that it is declining. According to the index, the overall economy grew for the 39th consecutive month in January.

The Purchasing Managers' Index is based on a survey of 300 purchasing officials in a variety of manufacturing industries and gauges improvement or decline in areas such as employment, production, inventory, and new orders. This month's report reflects the U.S. Department of Commerce's recently completed annual adjustment to the seasonal factors used to calculate the indexes.

The chart below tracks performance of the Purchasing Managers' Index since January 1999.



## Labor Force Statistics, Arkansas and the U.S.

The U.S. Bureau of Labor Statistics reported that seasonally adjusted nonagricultural employment in the nation in January increased 146,000 to a level of 132.6 million. This follows increases averaging 181,000 in 2004. In January, manufacturing employment dropped by 25,000 with widespread, though mostly small, losses among its various industries. Retail employment rose by 19,000 while wholesale employment was flat. Construction employment increased by 9,000 jobs. Employment in financial activities rose by 21,000 jobs. Education and health services added 35,000 jobs in January including 15,000 in health care employment. Government employment rose 12,000. The national unemployment rate dropped from 5.4 percent to 5.2 percent.

In Arkansas, the Employment Security Department reported that nonagricultural employment (not seasonally adjusted) fell 20,000 to a level of 1,151,600 in January. Trade employment fell by 7,000 (-6,400 retail, -600 wholesale), reflecting the release of temporary workers hired for the Christmas shopping season. The number of jobs in manufacturing fell by 1,200. Employment in education and health services and leisure and hospitality fell by 1,700 and 2,000, respectively, largely reflecting seasonal losses. Government employment fell by 3,700, due mostly to semester break for part-time workers at schools. The information sector recorded a gain of 300 jobs. The State's seasonally adjusted unemployment rate dropped from 5.6 percent to 5.4 percent in January.

Compared to January 2004, employment increased by 16,400. The largest over-the-year gain of 9,100 occurred in services. The sector with the largest percentage gain was construction with 4.0 percent. Net job gains were made in all major sectors. Manufacturing employment rose by 400 jobs (+0.2 percent) over last January. The largest gains occurred in food (+900) and transportation equipment (+700).

### ARKANSAS NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT, BY INDUSTRIAL SECTOR

	JAN. 2005	DEC. 2004	JAN. 2004	CHANGE SINCE:		N	%
				LAST MONTH	LAST YEAR		
				N	%	N	%
TOTAL NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (1000s)	1151.6	1171.6	1135.2	-20.0	-1.7	16.4	1.4
NATURAL RESOURCES/MINING	7.2	7.5	7.0	-0.3	-4.0	0.2	2.9
CONSTRUCTION	49.7	51.7	47.8	-2.0	-3.9	1.9	4.0
MANUFACTURING	203.1	204.3	202.7	-1.2	-0.6	0.4	0.2
DURABLE GOODS	107.3	108.0	107.3	-0.7	-0.6	0.0	0.0
NONDURABLE GOODS	95.8	96.3	95.4	-0.5	-0.5	0.4	0.4
FOOD & KIND. PRODS.	52.2	52.3	51.3	-0.1	-0.2	0.9	1.8
TRANSP. & UTILITIES	64.3	65.3	64.5	-1.0	-1.5	-0.2	-0.3
TRADE	174.8	181.8	173.1	-7.0	-3.9	1.7	1.0
INFORMATION	20.5	20.2	20.4	0.3	1.5	0.1	0.5
FIN./INS./REAL EST.	50.9	51.4	50.2	-0.5	-1.0	0.7	1.4
SERVICES	379.1	383.7	370.0	-4.6	-1.2	9.1	2.5
GOVERNMENT	202.0	205.7	199.5	-3.7	-1.8	2.5	1.3

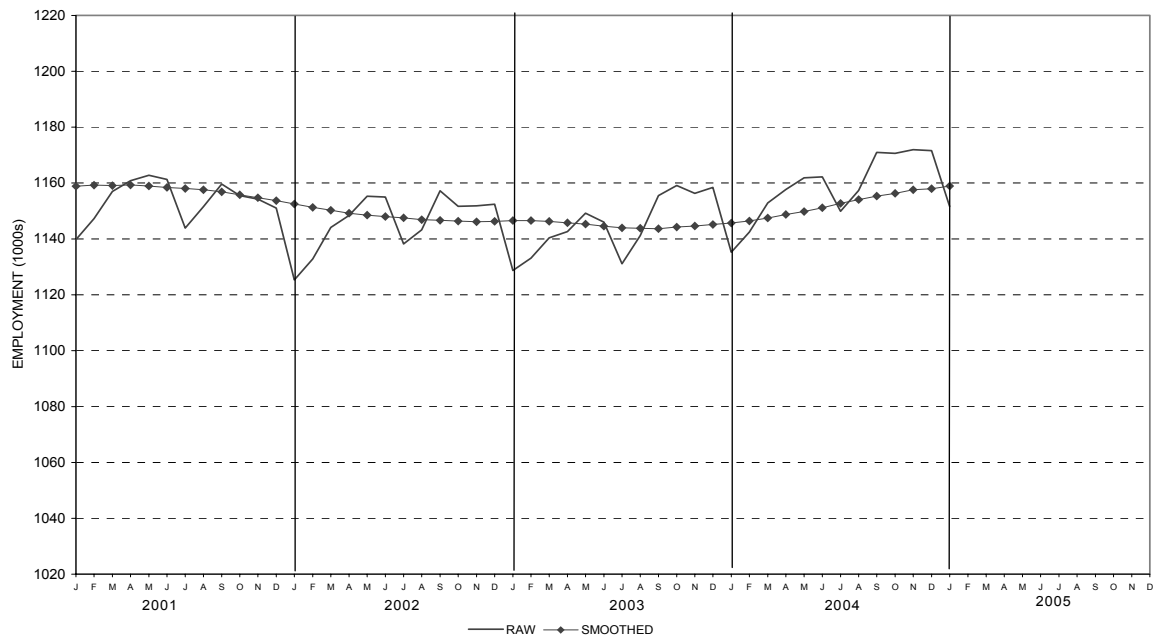
SOURCE: Arkansas Employment Security Department.

The graphs on the next page place Arkansas' employment growth patterns in a somewhat longer historical context. The upper graph shows the absolute level of nonagricultural employment in the state. The "raw" or unadjusted data show the seasonality of employment in the state, with sharp drops in employment occurring in January and July, while the "smoothed" data (12-month moving averages) reveal the underlying trends in employment.

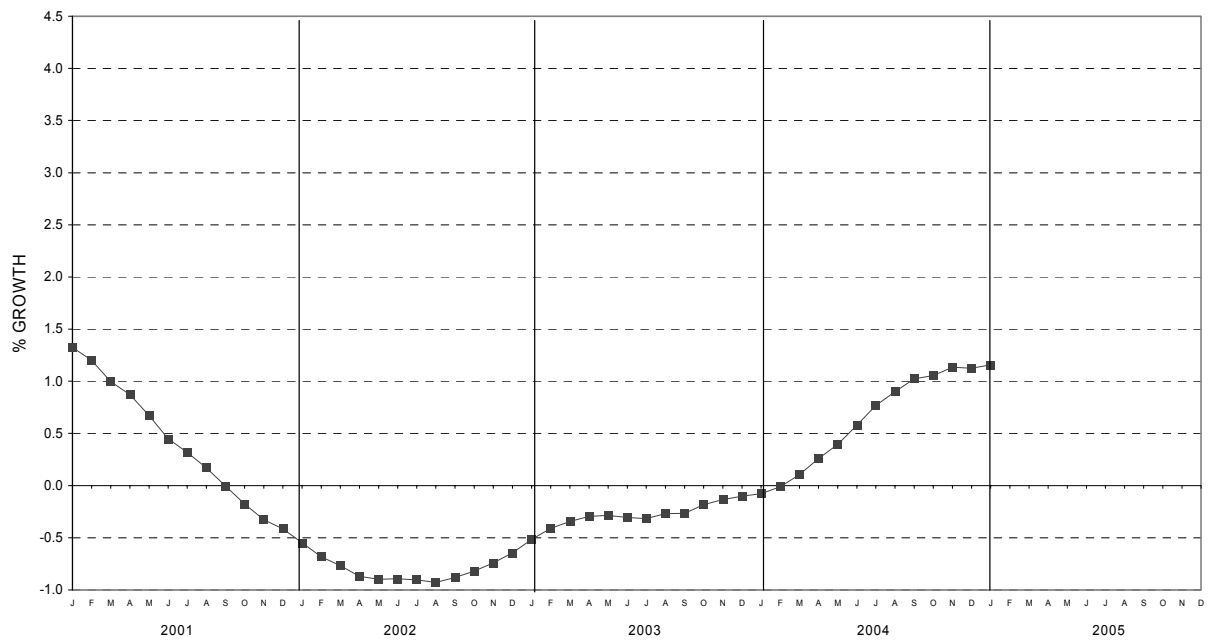
Underlying growth trends are portrayed even more clearly in the lower graph, which gives the percentage increase in employment over a 12-month period, based on the smoothed data shown above. After accounting for some seasonal factors, the annualized rate of employment growth in the state was 1.2 percent in January 2005.

**The data in these two graphs reflect the benchmark revisions made by ESD and BLS in January 2005 to the employment data for 2003 and 2004.**

## ARKANSAS' NONAGRICULTURAL EMPLOYMENT



ARKANSAS' 12-MONTH EMPLOYMENT GROWTH  
(BASED ON SMOOTHED DATA)



The table below places Arkansas' employment growth in comparative national perspective. For the 12-month period ending in November 2004, Arkansas' employment rate of growth of 0.6 percent ranked 35th in the nation. Over the same 12-month period, employment in the nation as a whole rose by 0.9 percent.

TOTAL NONAGRICULTURAL JOB GROWTH FOR THE U.S. AND STATES:  
12 MONTHS ENDING NOVEMBER 2004 VS. 12 MONTHS ENDING NOVEMBER 2003

State	Rank Nov. 2004	Percent Change	Rank Nov. 2003	Thousands of Jobs		
				Job Growth	Nov. 2004	Nov. 2003
Nevada .....	1	4.4	1	48.1	1,131.9	1,083.8
Hawaii .....	2	2.4	2	13.5	580.1	566.6
Arizona .....	3	2.3	7	53.5	2,339.7	2,286.2
Idaho .....	4	2.2	10	12.3	584.0	571.6
Virginia .....	5	2.2	16	75.1	3,573.9	3,498.7
Florida .....	6	2.1	4	150.1	7,425.7	7,275.5
Utah .....	7	2.0	19	21.1	1,094.3	1,073.1
Wyoming .....	8	1.9	11	4.8	254.4	249.6
New Mexico .....	9	1.8	5	14.0	788.7	774.7
Washington .....	10	1.7	17	45.3	2,703.3	2,658.0
Oregon .....	11	1.6	40	25.6	1,587.6	1,562.0
Wisconsin .....	12	1.4	21	39.8	2,819.3	2,779.5
Maryland .....	13	1.4	15	34.9	2,516.4	2,481.5
New Jersey .....	14	1.4	24	54.8	4,033.3	3,978.4
New Hampshire .....	15	1.4	32	8.4	624.8	616.3
Delaware .....	16	1.4	26	5.6	419.2	413.6
Montana .....	17	1.3	6	5.3	405.2	399.8
Alaska .....	18	1.3	3	3.7	303.0	299.3
South Carolina .....	19	1.1	12	19.4	1,831.1	1,811.6
Rhode Island .....	20	1.0	8	4.8	488.1	483.3
North Carolina .....	21	0.9	42	34.8	3,839.6	3,804.7
UNITED STATES .....		0.9		1,166.7	131,103.6	129,936.9
Missouri .....	22	0.9	37	23.1	2,705.5	2,682.4
South Dakota .....	23	0.9	14	3.2	381.2	378.0
Georgia .....	24	0.8	29	30.1	3,890.2	3,860.1
Tennessee .....	25	0.8	18	20.3	2,686.9	2,666.5
Maine .....	26	0.8	20	4.5	610.4	605.9
Minnesota .....	27	0.7	23	18.5	2,669.9	2,651.4
Vermont .....	28	0.7	30	2.0	300.6	298.5
Texas .....	29	0.7	35	63.9	9,440.3	9,376.3
Mississippi .....	30	0.7	38	7.2	1,123.6	1,116.4
Kansas .....	31	0.7	48	8.5	1,321.6	1,313.1
California .....	32	0.6	28	86.1	14,501.5	14,415.3
Iowa .....	33	0.6	34	8.3	1,448.7	1,440.4
Kentucky .....	34	0.6	31	9.8	1,792.7	1,782.8
<b>Arkansas .....</b>	<b>35</b>	<b>0.6</b>	<b>25</b>	<b>6.2</b>	<b>1,149.8</b>	<b>1,143.5</b>
North Dakota .....	36	0.5	9	1.6	334.0	332.4
Indiana .....	37	0.5	22	13.1	2,910.3	2,897.1
New York .....	38	0.4	36	36.3	8,444.5	8,408.1
Colorado .....	39	0.4	47	7.6	2,160.5	2,152.8
Alabama .....	40	0.3	33	6.4	1,881.9	1,875.5
Pennsylvania .....	41	0.3	39	15.4	5,620.8	5,605.3
West Virginia .....	42	0.3	41	1.8	728.8	726.9
Oklahoma .....	43	0.2	50	3.5	1,456.8	1,453.3
Nebraska .....	44	0.2	27	1.5	905.7	904.1
Louisiana .....	45	0.2	13	3.2	1,908.5	1,905.3
Illinois .....	46	-0.1	44	-7.0	5,814.6	5,821.6
Connecticut .....	47	-0.2	45	-2.6	1,641.9	1,644.6
Ohio .....	48	-0.4	43	-23.2	5,372.9	5,396.2
Massachusetts .....	49	-0.7	49	-21.1	3,170.0	3,191.2
Michigan .....	50	-1.0	46	-45.7	4,373.1	4,418.8

SOURCE: Arizona State University's Economic Outlook Center and the U.S. Bureau of Labor Statistics

# OFFICIAL FORECAST OF GENERAL REVENUE AVAILABLE FOR DISTRIBUTION

FISCAL YEAR 2005								
FUND ACCOUNTS	"A"	"B"	"B-1"	"B-2"	TOTAL ALLOCATIONS	FORECAST "A"+"B"+"B-1"+"B-2"	OVER / (UNDER) FY04	% (DECR)
General Education	\$1,587,868,208				\$1,587,868,208	\$1,587,868,208	\$0	0.00%
State Library	2,000,000				2,000,000	2,000,000	0	0.00%
Workforce Education	20,717,464		2,226,265		22,943,729	22,943,729	726,265	3.27%
TOTAL - PUBLIC SCHOOL FUND	\$1,610,585,672	\$0	\$2,226,265	\$0	\$1,612,811,937	\$1,612,811,937	\$726,265	0.05%
GENERAL EDUCATION FUND								
Dept. of Education	\$11,841,192				\$11,841,192	\$11,841,192	\$0	0.00%
Educational Television	3,915,547		450,000		4,365,547	4,365,547	0	0.00%
School for the Blind	4,501,356		350,000		4,851,356	4,851,356	0	0.00%
School for the Deaf	7,611,333		600,000		8,211,333	8,211,333	0	0.00%
State Library	2,792,127		150,000		2,942,127	2,942,127	0	0.00%
Dept. of Workforce Education	2,760,686				2,760,686	2,760,686	0	0.00%
Rehabilitation Services	11,580,597		475,604		12,056,201	12,056,201	0	0.00%
Subtotal - General Education	\$45,002,838	\$0	\$2,025,604	\$0	\$47,028,442	\$47,028,442	\$0	0.00%
Technical Institutes:								
Arkansas Valley TI	\$2,074,400				\$2,074,400	\$2,074,400	\$0	%,0.00
Crowley's Ridge TI	2,169,741				2,169,741	2,169,741	0	%,0.00
Northwest TI	2,514,789				2,514,789	2,514,789	0	%,0.00
Riverside VTS	1,959,586				1,959,586	1,959,586	0	%,0.00
Subtotal - Technical Inst.'s	\$8,718,516	\$0	\$0	\$0	\$8,718,516	\$8,718,516	\$0	%,0.00
TOTAL GENERAL ED. FUND	\$53,721,354	\$0	\$2,025,604	\$0	\$55,746,958	\$55,746,958	\$0	%,0.00
HUMAN SERVICES FUND								
DHS-Administration	\$13,526,819				\$13,526,819	\$13,526,819	\$0	0.00%
Aging and Adult Services	10,602,577				10,602,577	10,602,577	0	0.00%
Children & Family Services	39,569,687				39,569,687	39,569,687	0	0.00%
Child Care/Early Childhood Ed.	527,678				527,678	527,678	0	0.00%
Youth Services	41,782,428	2,000,000			43,782,428	43,782,428	2,000,000	4.79%
Devel. Disab. Services	47,129,849	3,100,000			50,229,849	50,229,849	3,100,000	6.58%
Medical Services	4,574,127				4,574,127	4,574,127	0	0.00%
DHS-Grants	477,861,101	71,200,000		2,500,000	551,561,101	551,561,101	73,700,000	15.42%
Mental Health Services	56,974,670			3,500,000	60,474,670	60,474,670	3,500,000	6.14%
Services for the Blind	1,770,435				1,770,435	1,770,435	0	0.00%
County Operations	39,291,910				39,291,910	39,291,910	0	0.00%
TOTAL HUMAN SERVICES FUND	\$733,611,281	\$76,300,000	\$0	\$6,000,000	\$815,911,281	\$815,911,281	\$82,300,000	11.22%



# OFFICIAL FORECAST OF GENERAL REVENUE AVAILABLE FOR DISTRIBUTION

FISCAL YEAR 2005								
FUND ACCOUNTS	"A"	"B"	"B-1"	"B-2"	TOTAL ALLOCATIONS	FORECAST "A"+"B"+"B-1"+"B-2"	OVER / (UNDER) FY04	% (DECR)
STATE GENERAL GOV'T FUND								
Dept. of Ark. Heritage	\$4,254,886		\$436,419		\$4,691,305	\$4,691,305	\$419	0.01%
Dept. of Labor	2,340,542				2,340,542	2,340,542	0	0.00%
Dept. of Higher Education	2,760,148		100,000		2,860,148	2,860,148	0	0.00%
Dept. of H.E.-Grants	32,727,818	334,089	1,599,292		34,661,199	34,661,199	833,995	2.47%
Dept. of Economic Development	9,356,023				9,356,023	9,356,023	0	0.00%
Dept. of Correction	201,830,355	4,700,000			206,530,355	206,530,355	4,700,000	2.33%
Dept. of Community Correction	43,873,760	1,000,000			44,873,760	44,873,760	1,000,000	2.28%
Livestock & Poultry Commission	3,407,158				3,407,158	3,407,158	0	0.00%
State Military Department	7,797,534				7,797,534	7,797,534	0	0.00%
Dept. of Parks & Tourism	19,005,279		605,190		19,610,469	19,610,469	74,451	0.38%
Dept. of Environmental Quality	3,501,452				3,501,452	3,501,452	0	0.00%
Miscellaneous Agencies	39,507,674		4,021,143		43,528,817	43,528,817	(2,606,132)	(5.65%)
TOTAL STATE GENERAL GOV'T	\$370,362,629	\$6,034,089	\$6,762,044	\$0	\$383,158,762	\$383,158,762	\$4,002,733	1.06%
OTHER FUNDS								
County Aid	\$19,741,546				\$19,741,546	\$19,741,546	\$0	0.00%
County Jail Reimbursement	\$2,806,592				2,806,592	2,806,592	(8,000,000)	(74.03%)
Crime Information Center	3,393,959				3,393,959	3,393,959	0	0.00%
Child Support Enforcement	13,014,933				13,014,933	13,014,933	0	0.00%
Forestry Commission	5,644,742				5,644,742	5,644,742	0	0.00%
Merit Adjustment Fund			21,300,000		21,300,000	21,300,000	9,200,000	76.03%
Motor Vehicle Acquisition	942,513				942,513	942,513	0	0.00%
Municipal Aid	27,506,527				27,506,527	27,506,527	0	0.00%
Dept. of Health	49,350,845		3,366,495		52,717,340	52,717,340	1,442,950	2.81%
State Police	41,273,870		3,200,000		44,473,870	44,473,870	0	0.00%
Plant Board Fund	2,196,289				2,196,289	2,196,289	0	0.00%
TOTAL OTHER FUNDS	\$165,871,816	\$0	\$27,866,495	\$0	\$193,738,311	\$193,738,311	\$2,642,950	1.38%
INST'S OF HIGHER EDUCATION								
Arkansas State University	\$46,974,718		\$1,755,977		\$48,730,695	\$48,730,695	\$860,693	1.80%
Arkansas Tech University	19,568,768		977,017		20,545,785	20,545,785	369,928	1.83%
Henderson State University	15,586,728		636,234		16,222,962	16,222,962	336,894	2.12%
Southern Arkansas University	12,554,702		590,760		13,145,462	13,145,462	235,946	1.83%
UA - Fayetteville	91,304,016		3,513,508		94,817,524	94,817,524	1,729,090	1.86%
UA - Archeological Survey	1,682,113		72,901		1,755,014	1,755,014	38,148	2.22%
UA - Agriculture	48,632,816		1,999,234		50,632,050	50,632,050	992,252	2.00%
UA - Criminal Justice Institute	1,515,569		71,579		1,587,148	1,587,148	35,915	2.32%
UA - Ft. Smith	14,924,290		662,850		15,587,140	15,587,140	371,730	2.44%
UA-Little Rock	44,787,361	2,000,000	1,835,189		48,622,550	48,622,550	2,996,800	6.57%
UA-Medical Sciences	65,606,236		3,564,643	150,000	69,320,879	69,320,879	2,402,930	3.59%
UAMS - Indigent Care	4,804,860		129,847		4,934,707	4,934,707	(1)	(0.00%)
UA-Monticello	12,635,276		419,602		13,054,878	13,054,878	224,106	1.75%
UA-Pine Bluff	21,512,493	385,668	659,946		22,558,107	22,558,107	697,075	3.19%
University of Central Arkansas	37,695,628		1,473,029		39,168,657	39,168,657	738,805	1.92%
Sub-Total Four Year	\$439,785,574	\$2,385,668	\$18,362,316	\$150,000	\$460,683,558	\$460,683,558	\$12,030,311	2.68%

# OFFICIAL FORECAST OF GENERAL REVENUE AVAILABLE FOR DISTRIBUTION

FISCAL YEAR 2005								
FUND ACCOUNTS	"A"	"B"	"B-1"	"B-2"	TOTAL ALLOCATIONS	FORECAST "A"+"B"+"B-1"+"B-2"	OVER / (UNDER) FY04	% (DECR)
INST'S OF HIGHER EDUCATION CONTINUED:								
Two Year Institutions:								
Arkansas Northeastern College	\$7,314,919				\$7,314,919	\$7,314,919	\$0	0.00%
Arkansas State University - Beebe	\$9,306,390				9,306,390	9,306,390	\$0	0.00%
Arkansas State Univ.-Mountain Home	2,366,796				2,366,796	2,366,796	0	0.00%
Arkansas State University - Newport	2,050,323				2,050,323	2,050,323	0	0.00%
Cossatot Cmty. College of the UA	2,245,065				2,245,065	2,245,065	0	0.00%
East Arkansas Cmty. College	4,994,759				4,994,759	4,994,759	0	0.00%
Mid-South Cmty. College	2,536,399				2,536,399	2,536,399	0	0.00%
National Park Cmty. College	7,267,530				7,267,530	7,267,530	0	0.00%
North Arkansas College	6,659,532				6,659,532	6,659,532	0	0.00%
NorthWest Arkansas Cmty. College	5,823,788				5,823,788	5,823,788	0	0.00%
Phillips Cmty. College of the UA	7,635,269				7,635,269	7,635,269	0	0.00%
Rich Mountain Cmty. College	2,605,870				2,605,870	2,605,870	0	0.00%
Southern Ark. University - Tech	5,858,484				5,858,484	5,858,484	0	0.00%
South Arkansas Cmty. College	5,028,984				5,028,984	5,028,984	0	0.00%
U of A - Cmty. College at Batesville	2,747,147				2,747,147	2,747,147	0	0.00%
U of A - Cmty. College at Hope	3,462,943				3,462,943	3,462,943	0	0.00%
U of A - Cmty. College at Morrilton	3,239,560				3,239,560	3,239,560	0	0.00%
Two-Year College Model Formula	2,851,107		4,832,658		7,683,765	7,683,765	2,257,320	41.60%
Sub-Total Two Year	\$83,994,865	\$0	\$4,832,658	\$0	\$88,827,523	\$88,827,523	\$2,257,320	2.61%
Technical Colleges:								
Black River	\$4,410,588				\$4,410,588	\$4,410,588	\$0	0.00%
Ouachita	2,394,144				2,394,144	2,394,144	0	0.00%
Ozarka	2,052,535				2,052,535	2,052,535	0	0.00%
Pulaski	6,316,028				6,316,028	6,316,028	0	0.00%
Southeast Arkansas College	3,874,179				3,874,179	3,874,179	0	0.00%
Sub-Total Technical Colleges	\$19,047,474	\$0	\$0	\$0	\$19,047,474	\$19,047,474	\$0	0.00%
TOTAL INST'S OF HIGHER ED.	\$542,827,913	\$2,385,668	\$23,194,974	\$150,000	\$568,558,555	\$568,558,555	\$14,287,631	2.58%
GRAND TOTAL	\$3,476,980,665	\$84,719,757	\$62,075,382	\$6,150,000	\$3,629,925,804	\$3,629,925,804	\$103,959,579	2.95%

Prepared by DFA-Office of Budget 5/19/03

**EDUCATIONAL EXCELLENCE TRUST FUND  
OFFICIAL FORECAST  
FISCAL YEAR 2005**

<b>FUND ACCOUNT</b>	<b>FY05 ORIGINAL FORECAST</b>	<b>FY05 REVISED FORECAST</b>	<b>DIFFERENCE</b>
<b>DEPT. OF EDUCATION PUBLIC SCHOOL FUND:</b>	<u>\$163,399,629</u>	<u>\$165,146,203</u>	<u>\$1,746,574</u>
<b>WORKFORCE EDUCATION PUBLIC SCHOOL FUND:</b>	<u>\$9,987,401</u>	<u>\$10,094,156</u>	<u>\$106,755</u>
<b>DEPARTMENT OF EDUCATION FUND ACCOUNT:</b>	<u>\$800,519</u>	<u>\$809,075</u>	<u>\$8,557</u>
<b>DEPARTMENT OF WORKFORCE EDUCATION FUND:</b>	<u>\$2,997,413</u>	<u>\$3,029,453</u>	<u>\$32,039</u>
<b>HIGHER EDUCATION GRANTS FUND ACCT:</b>	<u>\$11,017,510</u>	<u>\$11,135,276</u>	<u>\$117,766</u>
<b>SCHOOL FOR MATH, SCIENCE AND ARTS FUND:</b>	<u>\$5,961,509</u>	<u>\$6,025,232</u>	<u>\$63,722</u>
<b>INSTITUTIONS OF HIGHER EDUCATION:</b>			
Four Year Institutions:			
Arkansas State University	\$5,034,288	\$5,088,100	\$53,811
Arkansas Tech University	1,687,527	1,705,565	\$18,038
Henderson State University	1,745,668	1,764,327	\$18,659
Southern Arkansas University	1,032,077	1,043,109	\$11,032
UA - Fayetteville	12,492,350	12,625,881	\$133,530
UA - Little Rock	4,433,134	4,480,520	\$47,386
UA Medical Center	7,632,988	7,714,577	\$81,589
UAMS - Indigent Care	189,938	191,969	\$2,030
UA - Monticello	890,715	900,236	\$9,521
UA - Pine Bluff	1,546,262	1,562,790	\$16,528
University of Central Arkansas	3,841,900	3,882,966	\$41,066
Two Year Institutions:			
Arkansas Northeastern College	602,105	608,541	\$6,436
ASU - Beebe	1,201,088	1,213,926	\$12,838
East Arkansas Community College	628,559	635,278	\$6,719
National Park Community College	940,099	950,147	\$10,049
North Arkansas College	371,220	375,188	\$3,968
Northwest Arkansas Community College	830,805	839,685	\$8,880
Phillips Community College - U of A	612,131	618,675	\$6,543
Rich Mountain Community College	165,917	167,690	\$1,773
SAU - Tech	269,465	272,345	\$2,880
South Arkansas Community College	429,889	434,484	\$4,595
UA - Fort Smith	2,557,893	2,585,235	\$27,341
<b>TOTAL INSTITUTIONS OF HIGHER EDUCATION</b>	<u>\$49,136,019</u>	<u>\$49,661,233</u>	<u>\$525,214</u>
 <b>GRAND TOTAL</b>	 <u><u>\$243,300,000</u></u>	 <u><u>\$ 245,900,627</u></u>	 <u><u>\$2,600,627</u></u>

August 16, 2004  
DFA- Office of Budget

## FINANCIAL INFORMATION SOURCES STATE OF ARKANSAS

### FINANCIAL ORGANIZATIONS AND MANAGEMENT

The following state organizations share responsibility for statewide financial management: The General Assembly, the Office of the Budget and the Office of Accounting of the Department of Finance and Administration, the Governor, the Treasurer, and the Division of Legislative Audit.

The General Assembly has responsibility for legislating the level of state services and appropriating the funds for operations of state agencies. The Office of Budget prepares the Executive Budget with the advice and consent of the Governor. The Office of Budget also monitors the level and type of state expenditures. The Accounting Division has the responsibility for maintaining fund and appropriation control and, through the Pre-audit Section and in conjunction with the State Treasurer, has responsibility for the disbursement process. The Treasurer has responsibility for disbursement, bank reconciliation, and investment of state funds (with the advice of the State Board of Finance). The Division of Legislative Audit has responsibility for performing financial post-audits of state agencies.

### BUDGET AND APPROPRIATION PROCESS

State agencies submit biennial budget requests to the Office of Budget of the Department of Finance and Administration. The Office of Budget prepares the Executive Budget based on estimates of general revenues as prepared by the Office of Economic Analysis and Tax Research of DFA. The Executive Budget contains the budget amount recommended by the Governor.

The General Assembly appropriates money after consideration of both the Executive Budget and the revenue estimate. The appropriation process begins in the joint House-Senate Budget Committee and then proceeds through both houses of the General Assembly. Legislative appropriations are subject to the Governor's approval or veto, including the authority of line-item veto.

The General Assembly also must amend the Revenue Stabilization Act to provide for an allotment process of funding appropriations in order to comply with state law prohibiting deficit spending. The Governor may restrict spending below the level of appropriations.

### REVENUE STABILIZATION LAW

Act 750 of 1973, as amended, established the State's Revenue Stabilization Law. This law and related legislation govern the administration and distribution of State revenues.

Pursuant to the Stabilization Law, all general and special revenues are deposited into the General Revenue Allotment Account and the Special Revenue Allotment Account according to the type of revenue being deposited. From the General Revenues Fund, 3% of all general revenues are first distributed to the Constitutional Officers Fund and the Central Services Fund to provide support for the States' elected

officials and their staffs and the Department of Finance and Administration.

The balance is then distributed to separate funds proportionately as established by the Stabilization Law. From the Special Revenue Fund, 3% of all special revenues collected by DFA and 1.5% of all special revenues collected by other agencies are first distributed to provide support for the State's elected officials, their staffs, and DFA. The balance is then distributed to the funds for which the special revenues were collected.

Special revenues, which are primarily user taxes, are generally earmarked for the program or agency providing the related services.

General revenues are transformed into funds established and maintained by the Treasurer for major programs and agencies of the state in accordance with fund priorities established by the General Assembly.

According to the Stabilization Law, the General Assembly establishes three levels of priority for general revenue spending, levels "A", "B", and "C". Successive levels of appropriations are funded only in the event sufficient revenues have been generated to fully fund any prior level. Accordingly, appropriations made to programs and agencies are only maximum authorizations to spend. Actual expenditures are limited to the lesser of (1) moneys flowing into a program or agencies' fund maintained by the Treasurer or (2) the maximum appropriation by the General Assembly.

Because state revenues are not collected throughout the year in a pattern consistent with program and agency expenditures, a budget revolving fund, which receives interest earnings for State fund investments, has been established and is utilized to assure proper cash flow during any period.

For more detailed information, please see:

- State of Arkansas, Biennial Budget, prepared by the Office of Budget, DFA.
- Annual Financial Report, prepared by the Office of Accounting, DFA.
- State of Arkansas, Biennial Report, prepared by the Treasurer of the State.
- Arkansas Legislative Tax Handbook, prepared by the Arkansas Legislative Council.
- Selected Statistical Financial Data for Arkansas (referred to as the A & B Books), prepared by the Arkansas Legislative Council.

**STATE OF ARKANSAS**  
**Special Revenues Monthly and Year to Date Collections**  
For Month Ending January 31, 2005

	Month				Year-To-Date			
	January 2004	January 2005	Increase/Decrease Amount	Percent	January 2004	January 2005	Increase/Decrease Amount	Percent
Taxes, Fees, Licenses & Permits								
Conservation Tax Act Act 156/97	4,510,100.66	4,773,216.38	263,115.72	5.83%	29,472,294.03	31,279,292.39	1,806,998.36	6.13%
Corporate Income Tax Est. Act 1052/91	1,033,224.89	1,097,479.51	64,254.62	6.22%	7,232,574.23	7,682,356.57	449,782.34	6.22%
Estate Tax Act 590/93	0.00	0.00	0.00	N/A	7,380,543.06	4,703,830.06	(2,676,713.00)	-36.27%
Motor Fuel Tax Act 445/73	1,721,327.83	1,752,568.85	31,241.02	1.81%	12,298,624.35	12,236,125.65	(62,498.70)	-0.51%
Gasoline Tax	34,259,297.80	34,988,940.69	729,642.89	2.13%	244,585,482.77	244,917,820.95	332,338.18	0.14%
Premium Tax Fire Tornado & Marine		0.00	0.00	N/A	0.00	0.00	0.00	N/A
Real Estate Transfer Tax Act 729/87	2,235,178.00	3,199,384.30	964,206.30	43.14%	15,489,569.08	19,908,788.92	4,419,219.84	28.53%
Motor Fuel Tax Act 437/79	1,721,327.83	1,752,568.85	31,241.02	1.81%	12,298,624.35	12,236,125.65	(62,498.70)	-0.51%
Rice Assessment Act 725/85	400,071.47	350,787.27	(49,284.20)	-12.32%	4,046,520.70	3,863,258.53	(183,262.17)	-4.53%
Auto License Fees	9,042,011.68	9,055,782.07	13,770.39	0.15%	54,499,950.65	55,359,404.57	859,453.92	1.58%
Pollution control Permit Fees Act 817/83	1,362,084.50	1,159,270.90	(202,813.60)	-14.89%	8,480,200.16	8,592,900.94	112,700.78	1.33%
Waste Mgmt. Recycle Act 849/89	979,638.12	20,520.33	(959,117.79)	-97.91%	4,373,235.77	3,748,000.34	(625,235.43)	-14.30%
Utility Assessment	0.00	0.00	0.00	N/A	7,675,534.00	7,115,579.00	(559,955.00)	-7.30%
Insurance Dept. Fees Act 652/93	325.18	426,181.75	425,856.57	130960.26%	9,256,425.38	9,676,589.87	420,164.49	4.54%
Game Protection License	1,400,354.71	1,466,812.80	66,458.09	4.75%	14,365,484.78	14,491,943.98	126,459.20	0.88%
Overload Permits	532,336.70	540,060.50	7,723.80	1.45%	3,761,347.35	3,954,945.24	193,597.89	5.15%
Property Tax Relief	18,041,385.56	19,063,164.58	1,021,779.02	5.66%	117,581,045.84	121,982,283.26	4,401,237.42	3.74%
Educational Adequacy Fund		33,265,297.38	33,265,297.38	N/A	0.00	216,482,226.88	216,482,226.88	N/A
All other taxes, fees, permits & licenses	16,931,571.85	11,518,854.60	(5,412,717.25)	-31.97%	78,265,050.31	83,959,923.73	5,694,873.42	7.28%
<b>TOTAL</b>	<b>94,170,236.78</b>	<b>124,430,890.76</b>	<b>30,260,653.98</b>	<b>32.13%</b>	<b>631,062,506.81</b>	<b>862,191,396.53</b>	<b>231,128,889.72</b>	<b>36.63%</b>

**DEPARTMENT OF FINANCE & ADMINISTRATION  
DIVISION OF REVENUE**

P.O. Box 1272  
Little Rock, AR 72203  
(501) 682-7000

Commissioner of Revenue..... Tim Leathers  
Assistant Commissioner for Operations & Administration ..... Preston Means  
Assistant Commissioner for Policy & Legal..... John Theis

Taxpayer Assistance Office..... 682-7751  
Office of Motor Vehicle ..... 682-4630  
Office of Excise Tax Administration..... 682-7200  
Office of Income Tax Administration..... 682-1130

*Arkansas State Revenue Tax Quarterly*, a quarterly newsletter, is published by the Revenue Division. For more information, contact the Taxpayer Assistance Office.

The Department of Finance and Administration has a home page on the World Wide Web. The page contains several tax forms and useful information. The address is <http://www.accessarkansas.org/dfa/>. In addition, the Office of Economic Analysis and Tax Research posts this publication, *Arkansas Fiscal Notes*, on the DFA web site. The address is [http://www.accessarkansas.org/dfa/revenues\\_budgets.html](http://www.accessarkansas.org/dfa/revenues_budgets.html).

**STATEMENT OF GROSS TAX COLLECTIONS  
GENERAL, SPECIAL, AND TRUST REVENUES**

The statement of gross tax collections on the following pages reports only general and special revenues collected by the Revenue Division of the Department of Finance and Administration. Insurance premium taxes are collected by the Insurance Department and the corporate franchise tax by the Office of Secretary of State. The revenues from these two taxes are reported in Tables A and B. In addition to these two offices, general revenues are also collected by other offices, agencies, and commissions, such as the State Auditor, State Securities Board, et al., and are summarized under "Miscellaneous" collections in Tables A and B. A detailed listing of these revenue sources can be found in the *Arkansas Revenue Report* published monthly by the Bureau of Legislative Research, Office of Tax and Economic Policy (tel # 682-1937).

Additionally, the "Gross Receipts" reported on this statement includes sales tax, use tax, beverage excise tax, 10% mixed drink tax, and the gross receipts tax permit.

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<b>Special Revenues</b>		<b>Jan 2005</b>	<b>Jan 2004</b>	<b>7 Months 2005</b>	<b>7 Months 2004</b>
101	Auto License Fees:	9,055,629.92	9,056,752.92	55,333,278.68	54,507,754.03
102	Auto Title Transfer	269,903.00	281,244.00	2,039,043.00	2,106,275.37
103	Auto Intransit Fees:	6.00	18.00	63.00	114.00
104	Drive Out License:	1,704.00	1,242.00	11,968.00	10,096.00
105	Mtr.Vehicle Trip Permits:	35,145.00	10,454.70	174,702.00	168,203.80
106	Transfer Building Fund:	.00	.00	.00	.00
107	Drivers Test Fee 782 Of 91:	45,317.00	44,967.77	357,724.32	337,497.80
108	Commerical Driver License Fund Act 241:	49,452.13	59,732.46	374,372.79	404,389.49
109	Boat Registration:	39,196.55	33,829.50	366,241.95	449,285.85
110	Cotton Trailer Reg. Act 68 Of 92:	410.00	1,015.00	44,139.00	43,495.00
111	Commerical Driver License Test Act 241/198:	50,203.25	34,778.61	323,222.75	249,394.34
112	Commerical Driver License Test Act 241/1989:	116,141.10	95,960.19	870,627.50	817,518.43
113	Special Driver Fees:	60,450.98	63,097.50	432,632.86	451,342.74
114	Driver Search Fees:	606,655.90	490,827.81	4,532,035.50	4,250,626.57
115	Breast Cancer/Komen Plate 1004/03	4,525.00	2,750.00	30,875.00	8,275.00
116	DWI Act 918/1983 (Alc & Drug):	.00	.00	.00	.00
117	Alternative Fuel Fund Act 121/03	.00	.00	109.94	.00
118	Add Court Cost (Alc Drug 1/2):	.00	.00	.00	.00
119	Add'l Court Cost Act #185:	.00	.00	.00	.00
120	Crime Victims Reparation:	.00	.00	.00	.00
121	Motor Fuel Tax:	33,376,132.56	33,555,380.36	236,549,695.70	239,708,989.94
122	Motor Fuel Act #445:	1,752,568.85	1,721,327.83	12,236,125.65	12,298,624.35
123	Motor Fuel Act #437:	1,752,568.85	1,721,327.83	12,236,125.65	12,298,624.35
124	Public School Act 201/39	.00	.00	30,000.00	30,000.00

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<b>Special Revenues</b>		<b>Jan 2005</b>	<b>Jan 2004</b>	<b>7 Months 2005</b>	<b>7 Months 2004</b>
125	Severance Tax 1/4:	241,443.85	186,056.93	1,750,821.22	1,351,101.34
126	Severance Act #310:	2,730.43	1,011.46	19,117.90	18,738.93
127	Severance Act #759 of 1979:	5,597.87	5,197.76	37,637.31	33,823.31
128	Timber Severance:	274,899.61	369,841.71	2,284,377.38	2,518,792.97
129	Add'l Severance/Coal Act #560:	.00	.00	.00	.00
130	Add'l Severance Act #761:	91,752.49	94,682.69	851,775.61	887,721.83
131	Add'l Severance/Brine Act #874:	12,595.20	11,694.96	84,683.96	76,102.47
132	SoyBean State Act #259:	281,672.94	418,063.45	983,269.76	1,123,195.31
133	Wheat Promotion:	7,387.69	2,440.97	273,502.28	248,699.63
134	Rice Promotion:	350,787.27	400,071.47	3,863,258.53	4,046,520.70
135	Real Estate Transfer Act #754:	.00	.00	60,000.00	60,000.00
136	Real Estate Transfer Act #754:	106,645.07	74,505.13	680,211.22	543,238.67
137	Real Estate Transfer Act #729-80%	1,706,346.79	1,192,100.88	11,843,562.30	9,651,971.95
138	Real Estate Transfer Act #729-10%:	213,293.36	149,012.64	1,480,445.49	1,206,496.84
139	Real Estate Transfer Act 729-10%:	213,293.36	149,012.64	1,480,445.49	1,206,496.84
140	Beef Council State:	36,514.45	43,687.25	310,025.69	332,858.47
141	Wine Tax Act #906:	.00	1,443.86	13,770.30	7,541.29
142	Choose Life Adopt 344/03	3,797.50	.00	25,872.00	.00
143	Sales Tax Aviation Act #449:	479,711.19	327,997.53	2,448,830.62	2,063,954.25
144	Rental Car Search 1359/99	76.00	11.00	435.00	335.00
145	Dog Racing Act #382:	.00	.00	.00	.00
146	ABC Application Fees Act #675:	1,287.50	350.00	6,492.50	3,195.00
147	DWI Reinstatement Act 802/95:	12,766.25	13,135.85	91,247.21	90,022.80
148	Vision Test/Photo ID	142,010.75	142,337.00	984,316.13	937,749.30



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<b>Special Revenues</b>		<b>Jan 2005</b>	<b>Jan 2004</b>	<b>7 Months 2005</b>	<b>7 Months 2004</b>
149	Beef Council-National:	36,514.45	43,687.25	310,025.73	332,858.47
150	Brucellosis Control Fund:	52,856.03	69,682.00	503,653.44	532,697.00
151	DWI Additional Act 631/316 Of 91:	.00	.00	.00	.00
152	Waste Tire Fee #749 Of 91:	412,305.88	335,072.29	2,670,519.33	2,687,846.40
153	Swine Testing #1105 Of 91:	14.00	49.00	460.00	484.00
154	DWI Reinstatement #802/95:	60,183.75	61,926.15	430,165.41	424,393.20
155	Rural Health Act 210/39	1,015.00	5,122.50	126,295.00	276,142.50
156	Severance Tax #761 Of 83:	.00	.00	.00	.00
157	SoyBean Act #340/91-Nation:	281,672.88	418,063.36	983,269.39	1,123,194.87
158	Choose Life Plate	77.50	3,525.00	528.00	19,375.00
159	Motor Fuel Interstate User:	1,612,183.27	703,785.44	8,366,201.78	4,875,314.64
160	Midsouth Community College 1488/01	1,858.12	6,570.58	30,646.88	20,055.18
161	Sales Tax Per Fees Act #620/93:	45,800.00	24,300.00	370,665.80	237,899.49
162	MV Validate Decal Act #974/97:	191,791.00	188,479.00	1,386,057.00	1,382,126.00
163	Liab Insurance Reinstatement #357/93:	2,220.00	2,440.00	13,660.00	12,150.00
164	ASP Ins Prem 1500/01	258,598.83	264,064.17	1,785,078.84	1,775,574.65
165	Vin Inspection 1329/03	875.00	3,150.00	10,425.00	20,725.00
166	DUI Reinstatement Act #863/93:	1,790.00	874.00	9,204.00	8,334.00
167	Weatherization Asst. Act. 121/03	.00	.00	256.50	.00
168	Waste Tire Fee PCE Act #1292/97:	35,852.68	29,136.81	230,449.07	233,725.67
169	Catfish Promo Board Act #790/99:	24.64	17.20	127,304.18	127,128.46
170	Game Protect Fund Act #1566/99:	48,050.00	52,725.00	284,225.00	278,050.00
171	Property Tax Relief Act #1492/99:	19,063,164.58	18,041,385.56	121,982,283.26	117,581,045.84
172	Special Plate Fee 93 Session:	93,333.25	90,379.00	656,737.25	630,338.00

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<b>Special Revenues</b>	<b>Jan 2005</b>	<b>Jan 2004</b>	<b>7 Months 2005</b>	<b>7 Months 2004</b>
173 Installment Fee Act #1262/95:	.00	.00	.00	.00
174 PUBLIC SCHOOL FACILITY 70/04	145,544.48	.00	1,028,158.42	.00
175 Conservation Fund Act #156/97:	4,773,216.38	4,510,100.66	31,279,292.39	29,472,294.03
176 Avia Aeronautics Act #924/97:	20,157.22	11,716.56	1,011,313.74	792,049.34
177 Ar Corn/Sorghm Brd Act #271/97:	9,522.80	23,060.52	250,390.44	390,862.07
178 Administration Just Fund Act #788/97:	959,805.72	670,546.71	4,054,115.68	2,821,364.78
179 DIS Waste Tire Fee Act #1292/97:	55,560.75	45,634.20	417,014.85	325,637.27
180 Insurance Act #991/97:	.00	.00	.00	.00
181 Aging & Adult Svcs Act 1698/01	75,915.83	80,255.71	562,483.81	591,198.93
182 DHS Grant Fund Act 1698/01	75,915.84	80,255.71	562,483.82	591,198.93
183 Breast Cancer Research 1698/01	74,345.16	78,595.27	550,846.21	587,217.27
184 Breast Cancer Control 1698/01	297,380.64	314,380.98	2,203,384.91	2,315,868.72
185 General Improve Fund 1681/01	.00	.00	4,703,830.06	7,380,543.06
186 Driver Confirmation Act 1810/01	18.80	17.90	196.50	222.70
187 AR School For Deaf Act 1556/01	7.50	.00	10.00	.00
188 AR School for Blind Act 1556/01	7.50	.00	10.00	.00
189 Duplicate Drivers License	275,682.22	209,166.25	1,776,805.31	1,156,105.08
190 Educ/Adeq. 108/03	33,265,297.38	.00	216,482,226.88	.00
<b>Total Special Revenues</b>	<b>\$ 113,629,178.74</b>	<b>\$ 77,125,526.44</b>	<b>\$ 760,677,755.07</b>	<b>\$ 533,553,084.51</b>

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<b>General Revenues</b>		<b>Jan 2005</b>	<b>Jan 2004</b>	<b>7 Months 2005</b>	<b>7 Months 2004</b>
201	Cigarette Tax:	9,599,272.64	10,506,560.60	69,674,261.31	69,809,398.57
202	Tobacco Permits Act 1337/97:	63,043.04	8,920.00	181,358.32	208,242.50
203	Cigar & Tobacco Tax:	1,604,113.88	1,718,557.17	11,335,766.99	11,384,639.28
204	Cigarette Paper Tax:	35,798.85	38,841.91	258,775.39	333,595.01
205	Beer Tax:	945,996.21	917,422.02	7,291,619.21	7,192,808.04
206	Beer Enforcement Act #271:	31,525.06	30,572.83	242,991.19	239,698.32
207	Liquor Tax:	780,867.63	503,938.34	4,253,742.64	3,953,693.34
208	Liquor Enforcement:	25,115.69	17,549.12	137,220.34	128,171.68
209	Wine Tax \$.70 Per Gallon:	18,528.65	20,214.01	97,334.37	104,330.22
210	Wine Enforcement:	4,035.64	3,856.45	24,593.69	23,742.17
211	Wine Enforcement Act #271:	496.79	586.33	3,078.08	2,992.87
212	Wine Enforcement Act #424:	82.05	153.90	597.72	784.50
213	Imported Wine Tax:	164,452.45	154,600.37	1,038,012.05	982,144.78
214	Imported Wine Tax Act #424:	921.74	1,811.56	7,048.76	9,294.92
215	Beer Permits:	2,475.00	7,440.00	115,615.00	132,425.00
216	Liquor Permits:	8,335.00	9,555.00	254,555.00	228,665.00
217	Wine Permits:	410.00	1,285.00	10,293.50	11,147.50
218	Severance Tax 3/4:	724,331.69	558,170.63	5,252,462.86	4,053,303.36
219	Amusement Machine Tax:	.00	.00	.00	.00
220		.00	.00	.00	.00
221		.00	.00	.00	.00
222	Real Estate Transfer Act #754:	.00	.00	2,607,788.32	2,607,788.32
223	Aviation Use Act #924/97:	.00	.00	.00	.00
224		.00	.00	.00	.00

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<b>General Revenues</b>		<b>Jan 2005</b>	<b>Jan 2004</b>	<b>7 Months 2005</b>	<b>7 Months 2004</b>
225	Gross Receipts:	175,487,404.58	164,306,770.19	1,145,060,985.45	1,072,293,897.82
226	Estate Tax:	571,731.09	1,217,598.37	1,557,270.31	1,217,598.37
227	Income-Individual:	4,163,280.01	2,682,098.48	48,091,498.00	37,479,774.84
228		.00	.00	.00	.00
229	WithHolding Monthly:	179,811,566.71	150,960,841.41	956,769,373.99	883,502,071.99
230	Individual Est. Inc.:	72,320,810.53	50,317,492.03	156,449,153.91	119,245,552.31
231	Corporation Income:	1,418,326.49	1,312,859.00	20,636,043.20	17,184,961.07
232	Corporation Est. Inc.:	14,894,009.65	19,827,919.27	137,189,884.48	103,878,103.39
233	Liquor Tax \$1.00/.50 Per Gallon:	30,816.05	23,049.82	174,295.80	203,720.91
234		.00	.00	.00	.00
235	Dog Racing:	130,626.45	204,074.26	916,474.35	1,156,639.13
236	Horse Racing:	207,334.10	90,146.12	1,190,592.80	778,680.22
237	ABC Fines:	20,400.00	21,100.00	200,700.00	146,100.00
238	ABC Transcripts:	183.60	.00	651.60	2,275.70
239		.00	.00	.00	.00
240	Sunday Sales Permits:	325.00	2,135.00	13,055.00	12,635.00
241	DWI Reinstatement Act #802/95:	18,237.50	18,765.50	130,353.15	128,604.00
242		.00	.00	.00	.00
243		.00	.00	.00	.00
244		.00	.00	.00	.00
245		.00	.00	.00	.00
246		.00	.00	.00	.00
247	Vending Machine Act #928/1997:	2,294.90	4,131.00	726,503.90	1,231,377.80
248		.00	.00	.00	.00

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**General Revenues**

	<u>Jan 2005</u>	<u>Jan 2004</u>	<u>7 Months 2005</u>	<u>7 Months 2004</u>
249      DUI Reinstatement Act #863/93:	2,685.00	1,311.00	13,806.00	12,501.00
<b>Total General Revenues</b>	<b>\$ 463,089,833.67</b>	<b>\$ 405,490,326.69</b>	<b>\$ 2,571,907,756.68</b>	<b>\$ 2,339,881,358.93</b>

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<b>Trust Revenues</b>	<b>Jan 2005</b>	<b>Jan 2004</b>	<b>7 Months 2005</b>	<b>7 Months 2004</b>
301	.00	.00	.00	.00
302 Ad Volorem Trust:	158,991.54	47,518.35	4,646,018.01	5,004,644.37
303 Local Sales/Use Trust:	77,362,280.15	71,487,470.29	474,966,170.45	431,810,794.98
304 Craft Train Trust Fund Act #474/99:	20,994.59	36,844.32	299,051.22	283,979.44
305 Organ Donor Plate	500.00	.00	3,555.00	.00
306 Baby Sharon Trust Act 279/03	.00	10.00	5.00	735.00
307 Education Adeq.108/03	.00	.00	.00	.00
308	.00	.00	.00	.00
309	.00	.00	.00	.00
310	.00	.00	.00	.00
311 Petro Environ Assurance Fee:	393,984.56	400,212.76	2,929,426.29	2,954,940.32
312	.00	.00	.00	.00
313 U.S. Olympic Comm. Act #471/93:	.00	.00	.00	.00
314 Soft Drink Tax Act #1073/93:	3,888,576.56	3,754,863.29	28,246,895.92	25,816,428.82
315 Disaster Relief Trust Act #1181/97:	.00	.00	5.00	30.00
316 ID Pen LC Sales/Use Act #928/97:	573.72	1,032.75	181,625.97	307,844.45
<b>Total Trust Revenues</b>	<b>\$ 81,825,901.12</b>	<b>\$ 75,727,951.76</b>	<b>\$ 511,272,752.86</b>	<b>\$ 466,179,397.38</b>
<b>Sum Total Of All Revenue</b>	<b>\$658,544,913.53</b>	<b>\$ 558,343,804.89</b>	<b>\$ 3,843,858,264.61</b>	<b>\$ 3,339,613,840.82</b>

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<b><u>Pull Out Revenue</u></b>		<b><u>Jan 2005</u></b>	<b><u>Jan 2004</u></b>	<b><u>7 Months 2005</u></b>	<b><u>7 Months 2004</u></b>
401	Title	101,299.50	88,337.00	662,715.00	674,246.85
402	Lien:	36,167.50	30,766.20	232,645.50	226,012.78
403	Postal:	49,772.75	49,218.25	353,024.19	355,025.12
404	ADFA	287,686.50	282,718.50	2,079,085.50	2,073,189.00
405	Transfers:	1,435.00	1,121.00	9,587.00	8,244.00
406	Lost/:	6,211.00	5,887.00	46,191.00	39,195.00
407	Driver License:	528,337.83	540,129.18	3,648,096.98	3,626,433.75
408	Oil & :	11,403.61	14,523.55	93,296.39	111,869.33
409	CDL #241	49,452.13	59,732.39	374,372.50	404,389.85
410	Search:	5.00	40.00	125.00	113.50
411	Court Reinstatement < 4/02/03	67,081.25	75,468.75	470,971.25	509,144.65
412	IRP Ref:	279.00	1,688.00	1,629.00	12,027.89
413	Plate of U of A Act 999/01	9,000.00	8,200.00	77,875.00	69,025.00
414	Plate ASU Act 999/01	925.00	875.00	6,575.00	5,925.00
415	Plate UALR Act 999/01	75.00	225.00	1,175.00	1,125.00
416	Plate UCA Act 999/01	325.00	300.00	2,800.00	2,050.00
417	Committed to Education 529/01	5,325.00	4,900.00	56,050.00	51,100.00
418	SAU College	350.00	275.00	3,100.00	2,675.00
419	AR Ducks Unlimited	6,325.00	4,775.00	49,950.00	36,650.00
420	U of A AGRI Plate	350.00	250.00	2,550.00	1,375.00
421	AR Cattlemens Plate	700.00	650.00	3,425.00	1,300.00
422	Boy Scout Plate	325.00	375.00	1,875.00	1,175.00
423	Henderson State University	225.00	25.00	1,525.00	25.00
424	UAPB	2,425.00	.00	23,800.00	.00

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<u>Pull Out Revenue</u>	<u>Jan 2005</u>	<u>Jan 2004</u>	<u>7 Months 2005</u>	<u>7 Months 2004</u>
425 Miscellaneous Refund Correction	.00	.00	.00	.00
426 Ouachita Baptist University	.00	.00	.00	.00
<b>Total Pull Out</b>	<b>\$ 1,165,481.07</b>	<b>\$ 1,170,479.82</b>	<b>\$ 8,202,439.31</b>	<b>\$ 8,212,316.72</b>



Mail Cost Center 383201

First Class

FROM: STATE OF ARKANSAS  
Department of Finance & Administration  
Office of the Director  
Economic Analysis & Tax Research  
P.O. Box 3278  
Little Rock, AR 72203

TO: